FILE COPY

Office-Supreme Court, U.S.
FILED
APR 17 1959
JAMES R. BROWNING, Clerk

IN THE

Supreme Court of the United States

OCTOBER TERM, 1958.

No. 847

CENTURY INDUSTRIES, INC.,
Petitioner,

vs.

WIEBOLDT STORES, INC.
and
MARSEL MIRROR & GLASS PRODUCTS, INC.,
Respondents.

PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SEVENTH CIRCUIT.

JAMES R. McKNIGHT
105 West Adams Street
Chicago, Illinois
Counsel for Petitioner

The Scheffer Press, Inc.—ANdover 3-6850

SUBJECT INDEX

	PAGE
Citations to Opinions Below	1
Jurisdiction	2
Questions Presented	2
Statement of the Case	2
The Reasons Relied on for Allowance of the Writ	5
Conclusion	10

Table of Cases

Air Devices, Inc., v. Air Factor, Inc., 97 U.S.P.Q. 519, 522, (C.A. 9)	9
Barbed Wire Patent, 143 U.S. 278, 285	7
Diamond Rubber Co. v. Consolidated Rubber Co., 220 U.S. 428, p. 434	5
Gibson-Stewart Co., Inc. v. Wm. Bros. Boiler Co., 116 U.S.P.Q. 352 (C.A. 6)	6
Graver Tank & Mfg. Co., Inc. v. Linde Air Products Co., 339 U.S. 605, 607	8
Hoeltke v. Kemp Mfg. Co., 80 F. 2d 913, 923 (C.A. 4)	8
Machine Co. v. Murphy, 97 U.S. 120, 125	9
Ric-Wil Co. v. Kaiser Co., 179 F. 2d 401 (C.A. 7)	7
Trico Products Corp. v. Ace Products Corp., 30 F. 2d 688, 692 (D. Conn.)	7
Ward Baking Co. v. Hazleton Co., 292 F. 202, 204 (D. Pa.)	9
Winans v. Denmead, 15 Howard 330	9
Appendix	1a

IN THE

SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1958.

No.

CENTURY INDUSTRIES, INC.,

Petitioner,

vs.

WIEBOLDT STORES, INC.

and

MARSEL MIRROR & GLASS PRODUCTS, INC.,

Respondents.

PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SEVENTH CIRCUIT.

Petitioner, Century Industries, Inc., prays that a writ of certiorari issue to review the judgment of the United States Court of Appeals for the Seventh Circuit, entered in the above entitled cause on March 3, 1959.

CITATIONS TO OPINIONS BELOW.

The opinion of the Court of Appeals reported in 120 USPQ 424 appears in the appendix hereto. There was no petition for rehearing. The judgment, findings and conclusions of the District Court are unreported, but appear in the printed record at pages 133-135.

JURISDICTION.

The jurisdiction of this Court is invoked under 28 U.S.C. Sections 1254(1) and 2101(c).

QUESTIONS PRESENTED.

Under the authorities, where the Patent Office rejects a patent application on certain prior patents or as not involving invention, and then withdraws the rejection, strengthening the presumption of validity of the Patent, should not this presumption of validity be followed by the Court?

Where a patent has issued on a combination of elements forming a new do-it-yourself device, and the prior art shows no patent on such combination, but merely discloses some of the elements making up the combination separately to be old, should not the patent on the new combination be held valid?

Where a pioneer patent on a do-it-yourself combination has been copied by an infringer, should not the patent be held valid and entitled to a wide range of equivalents?

STATEMENT OF THE CASE.

This is a suit for patent infringement. Jurisdiction in the United States District Court was based on 28 U.S.C. 1338, and 1400.

Petitioner's patent No. 2,677,990 is the first patent to issue on a do-it-yourself mirror kit, (Appendix 140-142). This kit provides mirror squares and parts for attachment, so that any one following instructions can install a segmented mirror on the wall of his home (A 23, 59, 141).

Most home owners today have to install expensive items themselves or do without them. They cannot afford a costly interior decorator and a professional glass man to install a segmented mirror. Petitioner's patented mirror kit is in line with this do-it-yourself trend of homemakers, and solves this problem by providing a complete package enabling anyone to do the entire job himself, easily, quickly and inexpensively, without any special training, or need for special tools (A 23, 59, 141).

Petitioner's patented mirror kit contains a plurality of mirror blocks, or body members, preferably twelve in number, a plurality of positioning members or clip tabs for aligning the mirror blocks on the wall, means for attaching the mirror blocks to the wall such as mastic, and spacing means such as spacer strips between rows of mirror blocks to prevent contact and breakage (A 139-142).

When petitioner first came out with its patented mirror kit, it was alone on the market (A. 26). There was no competitor (A 26, 80). This lasted until respondents came on the market with their mirror kit. (A 26, 80).

Naturally with such a new item, petitioner had to do all the missionary work. It had to do considerable advertising and calling on the trade to interest the trade and the purchasing public.

Petitioner introduced its do-it-yourself mirror kits "in department stores, mail order houses, hardware, wherever wall decorations would be sold" (A 22).

It is common knowledge that it is extremely difficult to interest a mail order house to list a new item in its expensive and nationally distributed catalog. In order to obtain a listing of a new product in the catalog of a famous mail order house, like Sears Roebuck, the item

must have merit and be worth the space in such a valuable publication. Petitioner met these tests and its patented mirror kit has been shown and described in Sears Roebuck catalogs for the last 3 years (A 25, 26).

In addition, petitioner's patented mirror kit has been illustrated and described in the catalogs of such well known mail order houses as John Plain (A 25), Aetna (A 26), Co-op (A 25), and Majestic (A 25, 26).

After petitioner had succeeded in introducing its mirror kit to the market, it enjoyed increasing commercial success (A 23, 56, 135). It was not until then that respondents came on the market. This was inspired by one of respondent Marsel's buyers, who called the mirror kit to their attention (A 26, 80, 95, 96).

The only mirror kit on the market at that time was petitioner's mirror kit (A 26, 80, 95, 96). It is little wonder, under these circumstances, that respondents' later mirror kit is so close to that of petitioner's (A 80).

Respondents' mirror kit is so similar to that of petitioner, that it functions and operates the same and achieves the same over-all result (A 69, 70, 87, 98). While it is true that there are some slight differences in the mirror kits, yet the changes are insubstantial and mere substitutions so that respondents' structural details are equivalents that fall within the spirit of petitioner's patent in suit (A 68-70). In addition, respondents aggravated the infringement by copying the exact and unusual size of petitioner's mirror squares and adopting the many characteristics of petitioner's prior advertisements (A 67, 81-84), as found by the District Court (A 134).

The District Court recognized petitioner's mirror kit and the situation and held its patent valid and infringed.

The Court of Appeals held the patent invalid.

THE REASONS RELIED ON FOR ALLOWANCE OF THE WRIT.

The holding of the Court of Appeals that petitioner's patent in suit is invalid relied first on two prior art patents cited by the Patent Office. These prior patents, Dieter and British Downham were withdrawn by the Patent Office during the prosecution of the application and the patent in suit was allowed thereover (A 208, 226). This strengthened the presumption of validity of the patent.

The other prior patents relied on are referred to generally, but are not mentioned specifically by the Court of Appeals. They are found in the appendix (A 144-225). These prior patents have only one thing in common—and that is that none of them is on a mirror kit. They include remote subjects, such as label card and name holders, supporting beams and cabinet mountings. Not one of these prior patents is on a mirror kit with a plurality of mirror segments and means for attachment by an unskilled person to a wall.

The Court of Appeals concludes that some of the separate elements such as glass mirrors, mastic clips and spacers are old in the art or do not involve invention, and that the combination in a do-it-yourself kit is therefore not patentable.

The decision of the Court of Appeals is in conflict with the applicable decisions of this Court.

In *Diamond Rubber Co.* v. *Consolidated Rubber Co.*, 220 U.S. 428, p. 434, this Court said in sustaining a patent:

> "It possesses such amount of change from the prior art as to have received the approval of the Patent Office and is entitled to the presumption of invention

which attaches to a patent. Its simplicity should not blind us as to its character. Many things, and the patent law abounds in illustrations, seems obvious after they have been done, and 'in the light' of the accomplished result, it is often a matter of wonder how they so long 'eluded the search of the discoverer and set at defiance the speculations of inventive genius.'"

In accordance with this decision, the Patent Office allowed petitioner's patent as possessing patentable change from the prior art. None of the prior art patents is on a mirror kit. Respondents did not adopt the prior art, but copied petitioner's patented mirror kit. Petitioner's kit was the first to permit an amateur to install a segmented mirror and was steps beyond the prior art. The Court of Appeals should have followed the decision in the *Diamond* case *supra* and recognized the presumption of validity in petitioner's patent.

The Court of Appeals should also have followed the decisions which hold that where the Patent Office has withdrawn a rejection after an argument traversing the same and has allowed a patent over the prior art that the presumption of validity of the patent is thereby strengthened.

In *Ward Baking Co.* v. *Hazleton Co.*, 292 F. 202, 204 (D.C. Pa.), the Court said:

> "Courts are not permitted, therefore, to constitute themselves into a board of reviewing examiners and on nicely balanced considerations find that the patent office examiners were in error."

The Court of Appeals should have followed the correct ruling of the C.A. 6 in *Gibson-Stewart Co., Inc.* v. *Wm. Bros. Boiler Co.*, 116 USPQ 353 that:

> "a combination patent should not be invalidated by the mere fact that certain elements in the combination were old"

In the case at bar, the Patent Office allowed petitioner's patent after first rejecting it on prior patents to Dieter and British Downham (A 208, 226). The Patent Office also had rejected the patent on the ground that it was not drawn to a statutory subject of invention (A 119), and as a mere aggregation of old elements (A 120). Later this rejection was withdrawn by the Patent Office and the patent granted. The presumption of validity is greatly strengthened thereby. Instead of the Court of Appeals recognizing this presumption of validity, the decision repeated the earlier ground of rejection given by the Examiner as a basis for holding the patent invalid. This appears in contrast to the law on the subject as stated by the same Court of Appeals in *Ric-Wil Co.* v. *Kaiser Co.*, 179 F. 2d 401 as follows:

> "The prior art upon which defendant now lavishes praise was apparently permitted to lie dormant until the exigency created by a suit for infringement required its resurrection."

In *Trico Products Corp.* v. *Ace Products Corp.*, 30 F. 2d 688, 692, (D. Conn.), the Court stated:

> "the patent in suit was granted after consideration by the Patent Office of the prior patent picked by defendant's expert as the nearest approach to the invention of plaintiff's patent strengthens the presumption of validity of the patent in suit."

It is submitted that the Court of Appeals should have followed these decisions and also followed the rule laid down by this Court in the Barbed Wire Patent, 143 U.S. 278, 285, wherein it held:

> "The doctrine was laid down by this Court in *Coffin* v. *Ogden*, 18 Wall 120, 124, that 'The burden of proof rests upon him, the defendant, and every reasonable doubt should be resolved against him."

This rule is particularly true where respondents as here, got their idea from the petitioner's patented device.

In *Hoeltke* v. *Kemp Mfg. Co.*, 80 F. 2d 913, 923, the C.A. 4 held:

> "we think the same rule should be applied against one who admittedly receives a disclosure from an inventor, proceeds thereafter to manufacturer articles of the same character."

The Court of Appeals should have found petitioner's patent valid under the foregoing authorities, and should have gone on to affirm the District Court in finding that respondents' mirror kit infringed petitioner's patent. The Court of Appeals should have affirmed the District Court on the grounds that the minor differences in details in respondents' construction do not avoid infringement, because they are equivalents. Such unimportant and insubstantial changes do not affect the function, operation and result of the mirror kits. This is just the kind of evasion that this Court has denounced in the recent case of *Graver Tank & Mfg. Co., Inc.* v. *Linde Air Products Co.*, 339 U.S. 605, 607, where the Court said on page 607:

> "But courts have also recognized that to permit imitation of a patented invention which does not copy every literal detail would be to convert the protection of the patent grant into a hollow and useless thing. Such a limitation would leave room for—indeed encourage—the unscrupulous copyist to make unimportant and insubstantial changes and substitutions in the patent which, though adding nothing, would be

enough to take the copied matter outside the claim, and hence outside the reach of law. One who seeks to pirate an invention, like one who seeks to pirate a copyrighted book or play, may be expected to introduce minor variations to conceal and shelter the piracy. Outright and forthright duplication is a dull and very rare type of infringement. To prohibit no other would place the inventor at the mercy of verbalism and would be subordinating substance to form. *It would deprive him of the benefit of his invention* and would foster concealment rather than disclosure of inventions, which is one of the primary purposes of the patent system."

In *Air Devices, Inc.* v. *Air Factor, Inc.*, 97 U.S.P.Q. 519, 522, C.A. 9, said on page 522:

"The accused device is but an imitation of the patent herein issued and while it varies in unimportant and insubstantial details, it cannot escape the judgment of infringement which the doctrine of equivalents set forth in *Graver Tank & Mfg. Co., Inc.* v. *Linde Air Products Co.*, 339 U.S. 605 requires us to impose."

The doctrine of equivalents is based upon the early Supreme Court case of *Winans* v. *Denmead*, 15 Howard 330. The principles of this case are that the patent law shall be administered on substance and not on words. The doctrine of equivalents is founded on the theory that "If two devices do the same work in substantially the same way, and accomplish the same result, they are the same, even though they differ in name, form or shape." This question is taken from this Court in *Machine Co.* v. *Murphy*, 97 U.S. 120, 125.

CONCLUSION.

For the foregoing reasons, this petition for writ of certiorari should be granted.

Respectfully submitted,

JAMES R. MCKNIGHT
105 West Adams Street
Chicago, Illinois
Counsel for Petitioner

APPENDIX.

In The

UNITED STATES COURT OF APPEALS

For The Seventh Circuit

No. 12423 September Term, 1958—January Session, 1959

Century Industries, Inc.,
Plaintiff-Appellee,
v.
Wieboldt Stores, Inc.,
Defendant-Appellant,
and
Marsel Mirror & Glass Products, Inc.,
Intervening Defendant-Appellant.

Appeal from the United States District Court for the Northern District of Illinois, Eastern Division.

March 3, 1959

Before Schnackenberg, Hastings and Knoch, *Circuit Judges.*

Hastings, *Circuit Judge.* This is an action for patent infringement by Century Industries, Inc., plaintiff-appellee, against Wieboldt Stores, Inc., defendant-appellant, and Marsel Mirror & Glass Products, Inc., intervening defendant-appellant.

The patent in suit, No. 2,677,990, was issued on May 11, 1954 to Arthur Bienenfeld and Harvey L. Hurwitz

and is owned by plaintiff under assignment from the patentees. The patent is for a "Mirror Kit for Home Decoration," designed for a "do-it-yourself" installation, the kit being made and sold by plaintiff. Defendant Wieboldt is charged with having infringed through the retail sale of sectional mirrors manufactured by intervening defendant Marsel. Each defendant filed an answer denying infringement and alleging invalidity of plaintiff's patent, together with a counter-claim. Following a trial requiring a part of two days the district court found for plaintiff and rendered judgment holding the patent valid and infringed, permanently enjoining defendants from further infringement and referring the cause to a master for the determination of damages. This appeal followed, the contested issues being those of validity and infringement.

At the outset it is apparent that the findings of fact adopted by the trial court are wholly inadequate to support the conclusions of law and judgment in this case. The findings are six in number, the first three merely reciting the names and residences of the parties and the fourth that plaintiff is the owner of the patent in suit. The remaining two findings are:

> "5. Plaintiff has extensively made and sold Mirror kits made in accordance with said Patent No. 2,677,990 and is prepared to supply the demand therefor.
>
> "6. Defendant, Marsel Mirror & Glass Products, Inc., has made and sold and defendant, Wieboldt Stores, Inc., has sold mirror-kits subsequent to May 11, 1954 in accordance with said Patent No. 2,677,990."

We need not elaborate upon their insufficiency to sustain a conclusion of validity and infringement.

The oral testimony was brief and limited to plaintiff's general manager, Hoyne Greenberg, and defendant Wieboldt's secretary, Otto E. Haedike. No expert testimony was taken. Plaintiff also read portions of two discovery

depositions, taken in New York, of defendant Marsel's president, Marvin Leopold, and its treasurer, Selton Barlow. In addition, there are a number of exhibits in evidence, including the patent in suit and its file wrapper, a sample of the patented kit and the accused mirror set, plaintiff's notice of infringement to each defendant, various advertisements of the parties and a number of prior art patents. In this state of the record, rather than remand the case at this juncture for additional findings, we have read and considered the entire record and are prepared to dispose of this appeal on its merits.

The file wrapper discloses that the original application was filed June 13, 1952 and contained three claims. On December 10, 1952 the application was examined by Acting Examiner Anderson who rejected all three claims, citing as references Dieter Patent No. 2,289,634, dated July 14, 1942, and Downham, et al., British Patent No. 609,691, dated October 5, 1948. The first ground of rejection was that the claims failed to claim statutorily patentable matter. The second ground of rejection was that the claims were indefinite and aggregative, and that each was a mere catalogue of parts "without any coaction between the components being positively provided for." The final ground of rejection was that the claims were in any event unpatentable over the Dieter and Downham patent references.

Following the rejection of the claims the applicants, on May 4, 1953, filed several amendments to each claim in order "more definitely to set forth the cooperation between the parts." On March 3, 1954 Examiner Gonsalves rejected all three claims. Claim 1 was rejected as "vague and indefinite," and Claims 2 and 3 were rejected once more as unpatentable over the same references, Dieter and Downham.

On March 8, 1954, the applicants filed a further amendment canceling Claims 2 and 3. Claim 1 was amended by striking out the last two words in the phrase, "a

supply of mastic applied *be applied.*" The patent was then allowed by a third Examiner with only Claim 1 as finally amended, which now reads as follows:

> "A mirror kit for home decoration comprising twelve square body members formed of mirror glass, a supply of mastic applied to the backs of said body members for bonding them to an appropriate vertical surface, said mastic being free from ingredients deleterious to mirrors, a plurality of clip tabs comprising a piece of cloth gummed on one side, said cloth bent back upon itself on the gummed side along a transverse line, said cloth having an opening positioned at the center of said line, a metallic T-shaped clip having its upper portion positioned along said line, said cloth bent back upon and sealed to itself above said clip to hold said clip in place, said clip having a downwardly extending portion extending through said opening, said downwardly extending portion having a hook at the bottom thereof, said hook extending outwardly from said cloth at a right angle, said clip tabs attached to the vertical surface by moistening said gummed cloth and pressing it against said surface, whereby said hooks support the bottom edges of said body members and prevent said body members from slipping while said mastic is drying, and a plurality of long, narrow, cardboard spacer strips, said spacer strips temporarily inserted edgewise between the adjacent edges of said body members at the time said body members are adapted to the vertical surface, said spacer strips upon their removal provided space between said body members for heat expansion of said body members without the glass cracking, said kit adapted to be used by the home occupant himself without additional tools or specialized skill of any kind."

The Patent Office considered only the Dieter and Downham, et al., patents as references. Dieter shows structural glass fastened to a wall of building block

by mechanical fasteners or clip members. Downham, et al., shows it to be old in the art to provide a plurality of metal clips to hold a lateral or base edge of a "splash-back" mirror when mounting it on the wall. The first Examiner pointed out that, "[N]o invention is seen in further securing the mirror by means of adhesive material and providing a plurality of mirrors for ornamental purposes as taught by Downham, et al." The second Examiner made substantially the same comment and added that, "[M]ere assembly of these parts into a kit is not seen to be invention." We are unable to find any basis for differentiating between Claim 1 and Claims 2 and 3 (abandoned by applicants in their second amendment) so as to bring Claim 1 outside these patent references. Likewise, we fail to see how the elimination of the two words in Claim 1 on its second amendment could be construed as an appreciable or material change.

At the trial the court had before it Defendant's Exhibit No. 4, a series of patents showing that frames for mirrors, name holders and other articles were commonly mounted upon a wall or object by providing spaced-apart channel members into which the article could be slidably mounted. We have considered this exhibit and find that such teachings are old in the art. We fail to see invention in the use of a mastic (adhesive) to hold a mirror on a wall. The use of metal hooks or clips is certainly old and the temporary use of paper strips between the mirror sections to prevent chipping while the mastic dries is not invention. To say that the use of a specific number of mirrors (twelve in this case) adds anything to inventiveness is without merit.

In analyzing this single claim it is clear to us that the catalogue of the various elements as a whole do not attain the stature of statutorily patentable matter. In our view this is a narrow patent claim which merely recites a combination or aggregation of old elements in which each performed the same function that it had been known to perform. "The patentee has added nothing

to the total stock of knowledge, but has merely brought together segments of the prior art and claims them in congregation as a monopoly." *Great A. & P. Tea Co.* v. *Supermarket Equipment Corp.*, 340 U.S. 147, 152, 153 (1950). This is not invention. See also *Pleatmaster Inc.* v. *J. L. Golding Mfg. Co.*, 7 Cir., 240 F. 2d 894, 897 (1957).

We are cognizant of the presumption of validity which attaches to a patent, 35 U.S.C.A. § 282, but we have concluded that, in this case, such presumption "was overcome by clear and convincing evidence on the part of the defendants * * *." *Goldman* v. *Robins*, 7 Cir., 245 F. 2d 840, 844 (1957).

It is urged that because of the advantages inherent in the "do-it-yourself" method of installing the mirror set it has enjoyed substantial commercial success and that this lends strength to the presumption of validity. But, as the Supreme Court pointed out in *Great A. & P. Tea Co.* v. *Supermarket Equipment Corp.*, *supra* at 153, "* * * commercial success without invention will not make patentability." See also *Toledo Pressed Steel Co.* v. *Standard Parts, Inc.*, 307 U.S. 350, 356-357 (1939). Furthermore, the use of the "do-it-yourself" technique cannot, in and of itself, make that which is otherwise unpatentable the subject of invention.

Having determined that the patent in suit is invalid, the question arises whether we should pass upon the issue of infringement. Although in such a situation this court has in some cases seen fit to do so, we see no good purpose, here, in pursuing this matter further.

The judgment of the district court is

REVERSED.